

STEPTOE & JOHNSON LLP

ATTORNEYS AT LAW

1330 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036-1785PHOENIX, ARIZONA
TWO RENAISSANCE SQUARETELEPHONE: (602) 257-5200
FACSIMILE: (602) 257-5200(202) 429-3000
FACSIMILE: (202) 429-3902
TELEX: 85-2503STEPTOE & JOHNSON INTERNATIONAL
AFFILIATE IN MOSCOW, RUSSIATELEPHONE: (011-7-501) 258-5250
FACSIMILE: (011-7-501) 258-5251SARA BETH WATSON
(202) 429-5460

October 11, 1996

Confidential
For Settlement Purposes Only**VIA TELECOPY**Damaris Cristiano, Esq.
Assistant Regional Counsel
Office of Regional Counsel
U.S. EPA - Region II
17th Floor
290 Broadway
New York, New York 10007-1866Elizabeth Yu, Esq.
Environmental Enforcement
U.S. Department of Justice
1425 New York Avenue, N.W.
Room 13071
Washington, D.C. 20005Re: SCP/Carlstadt De Minimis Settlement

Dear Mss. Cristiano and Yu:

Set forth below is proposed revised language for paragraph 57 of the Administrative Order on Consent (ACO). With this proposed language paragraph 51 would remain the same as in the July 31 draft ACO.

57. The Parties agree that each Respondent is entitled to protection from contribution actions or claims as provided by CERCLA Sections 113(f) and 122 (g)(5), 42 U.S.C. §§ 9613(f)(2) and 9622 (g)(5) for "matters addressed" in this Consent Order, except for the limited exception to allow the Non-DeMinimis Cooperating PRPs that are then performing the remedy for the Site to seek a contribution proportionate to a Respondent's waste-in amount for Total Site Response Costs in excess of \$200 million as described in Paragraph 51(c) provided that: (1) EPA has not exercised its reservation of rights under Paragraph 51(c) within one year of the accrual of those rights; and (2) EPA and the Non-DeMinimis PRPs can not recover for the same costs. The "matters addressed" in this Consent Order, for purposes of the preceding sentence, are the Total Site Response Costs and the response actions for which those costs have been incurred or are to be incurred. Such protection with respect to each Respondent is conditional upon that Respondent's compliance with the requirements of this Consent Order.

598992



Damaris Cristiano, Esq. and Elizabeth Yu, Esq.
October 11, 1996
Page 2

After you have reviewed the proposed language, please contact me to discuss. If necessary I will arrange a conference call with Joyce McCarty and Lynn Wright.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sara Beth Watson".

Sara Beth Watson

cc: Joyce McCarty, Esq.
Lynn Wright, Esq.
Seth Goldberg, Esq.

**STEPTOE & JOHNSON LLP
ATTORNEYS AT LAW**

PHOENIX, ARIZONA
FACSIMILE: (602) 257-5289
VERIFICATION: (602) 257-5287

1330 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036-1785

XEROX 7032 (202) 429-3902
XEROX 7032 (202) 429-3903
XEROX 7021 (202) 429-3904
TELEX NO 89-2503
VERIFICATION (202) 429-8162

MOSCOW, RUSSIA
FACSIMILE: (011-7-501) 929-8701

(202) 429-3000
FACSIMILE: (202) 429-3902
TELEX: 89-2503

IMPORTANT: This facsimile is intended only for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected from disclosure under applicable law. If the reader of this transmission is not the intended recipient or the employee or agent responsible for delivering the transmission to the intended recipient, you are hereby notified that any dissemination, distribution, copying or use of this transmission or its contents is strictly prohibited. If you have received this transmission in error, please notify us by telephoning and return the original transmission to us at the above address.

FROM

Name: Sara Beth Watson, Esq.

Request Made On Date: October 11, 1996

Time: 3:52 PM

Completion Required By Date: October 11, 1996

Time: asap

DELIVER TO

Name: Damaris Cristlano, Esq.

Organization or Firm: U.S. Environmental Protection Agency

Telecopy Phone Number: 212-637-3096

Verification Number: 212-637-3140

Special Instructions: 3

Total Pages & Cover Sheet:

Date Transmitted:

S&J Operator's Name:

Telephone Number:

Client/Case Number: 73706.0001